

Author: Villines Analyst: John Pavalasky Bill Number: AB 2319Related Bills: _____ Telephone: 845-4335 Amended Date: April 18, 2006Attorney: Patrick Kusiak Sponsor: _____**SUBJECT:** Exemption from Minimum Annual or Franchise Tax for a Business's First Three Taxable Years/ Allow Refund of Limited Liability Company (LLC) Annual Tax Previously Paid ANALYSIS NOT REQUIRED of this bill – Not within scope of responsibility of this department. TECHNICAL BILL – No program or fiscal changes to existing program. BILL AS AMENDED NO LONGER WITHIN SCOPE of responsibility or program of the department. TECHNICAL AMENDMENT – No change in previously submitted analysis required.

Approved position of prior analysis is _____.

 MINOR AMENDMENT – No change in previously submitted analysis required. Approved X position of prior analysis is pending. MINOR AMENDMENT – No change in approved position of _____. See Comments below X OTHER – See comments below.**COMMENTS:**

This bill would, for new businesses having no income, provide a three-year exemption from the \$800 minimum tax.

The April 18, 2006, amendments made minor changes to this bill. Those changes would not impact the department's programs or operations. The analysis dated April 5, 2006, still applies.

Board Position:

<u> </u> S	<u> </u> NA	<u> </u> NP
<u> </u> SA	<u> </u> O	<u> X </u> NAR
<u> </u> N	<u> </u> OUA	<u> </u> PENDING

Franchise Tax Board Staff

Date

John Pavalasky

4/24/06